

TAB

CATEGORY I - CONCUR, IMPLEMENTATION IN PROCESS

1. RECOMMENDATION (Page 17 and 18, Para. III C.3.c): It is recommended that the Director of Logistics determine specifically what information is needed by the Procurement Division from other offices to prepare an annual procurement program for them at the beginning of each fiscal year, and that the DD/S then arrange for such information to be provided.

COMMENT: Concur in this recommendation. It should be noted that the Office of Logistics has developed a CSN Notice 45-6 which was published on 23 August 1954 for the purpose of establishing realistic materiel requirements on a cycle basis for DD/P components. Headquarters Administrative support requirements are handled on a projected strength basis with past usage factor. Communication requirements have been effectively worked out with the Office of Communications. It is anticipated that materiel requirements forecast regulations and handbooks for headquarters and field will be developed and published within the next six months. Continued efforts will be made to secure realistic requirements so that a planned procurement can be effected.

2. RECOMMENDATION (Page 18 and 19, Para. III C.3.f) (Cross Reference: Page 5, Para. II 5.a and b): It is recommended that the Director of Logistics adopt a policy aggressively endeavoring to prevent uncoordinated procurement activities and that Agency procurement regulations be revised to provide that (1) Agency personnel will not make any initial contacts with prospective suppliers or contractors for supplies, equipment or contractual services (other than personal services) without prior coordination with the Logistics Office to determine whether the contractor is on the list of debarred bidders; to request security clearance from the Security Office through the Logistics Office; to ascertain the nature of the Agency's past experience, if any, with the contractor; to discuss classification and sterility requirements and the method of procurement to be used; and to determine the extent to which negotiations should proceed without participation of the Contracting Officer; and (2) Agency personnel violating procurement regulations or otherwise engaging in unauthorized procurement will be subject to disciplinary action, to include pecuniary liability for increased procurement costs caused by their activities. The forthcoming revision of Regulation 50-17, (Coordination of External Research), should conform with the foregoing.

COMMENT: Concur in this recommendation. Action is in process toward the establishment of an aggressive policy to prevent uncoordinated procurement activities. The Office of Logistics proposes to develop an Agency regulation which will indicate disciplinary action in cases of unauthorized procurement. This regulation will be processed in accordance with the provisions of Agency Regulation 5-100.

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4. RECOMMENDATION (Page 22, Para. III C.4.j) (Page 5, Para. II 2): It is recommended that the DD/S in cooperation with representatives of DD/P (including TSS) and the Office of Communications study and develop secure procedures for contract procurement of Agency and Government sterile supplies and equipment.

COMMENT: Concur in this recommendation. Action on this recommendation is in process.

5. RECOMMENDATION (Page 23, Para. III C.5.b.(1)) (Page 6, Para. II 7): When Government sterility is required, the Agency execute commercial contracts instead of its present Government master contracts, which impose Government accounting and audit requirements.

COMMENT: Concur in this recommendation.

6. RECOMMENDATION (Page 26, Para. III D.1.b.(2)) (Page 7, Para. II 17): It is recommended that the Chief of Logistics, in coordination with the DD/P and the Office of Personnel, compile a complete inventory of all Agency field logistics and present incumbents of such positions and that the DD/P and the Chief of Logistics jointly develop authoritative T/O's for field logistical activities.

COMMENT: Concur in this recommendation. A procedure has been established whereby the Logistics Office is furnished machine runs for all logistics positions on a world-wide basis. A program is in the development stages and when fully implemented will furnish advance information to Logistics Office on each LO individual on a world-wide basis. This information will be particularly valuable in selection of replacements of overseas returnees.

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7. RECOMMENDATION (Page 28, III D.1.c) (Page 6, II 14): It is recommended that Agency owned and controlled aircraft be accounted for in the same manner as automotive vehicles under Regulation 45-270, which provides that the Chief of Logistics will maintain control records for Agency owned vehicles, except the chief of the major component concerned will maintain records for subsidy and proprietary owned vehicles. Agency controlled aircraft are included in this recommendation because of the policy enunciated in Regulation 45-250 that control will be maintained over "all supplies and equipment in the possession of the Agency."

COMMENT: Concur in this recommendation. Action will be taken to establish an accurate inventory of all Agency owned and controlled aircraft. It is also anticipated that an inventory will be conducted of all Agency owned vessels. This information will be compiled under the authorities contained in Agency Regulations 45-270 and 45-250.

8. RECOMMENDATION (Page 30 and 31, III D.2.g): It is recommended that the Chief of Logistics and the Management Staff develop a mechanism to ensure expeditious action to obtain sterile versions of Agency forms for overseas stations.

COMMENT: Concur in this recommendation. Considerable negotiations have been conducted with the Forms Control Staff on this matter. It is planned that a detailed study with appropriate recommendations will be made in the near future.

9. RECOMMENDATION (Page 35, IV A.1.c): The ceiling and organization of the Office (Logistics) are based upon a study completed by the Management Improvement Staff on 30 June 1954. That study was approved by the DD/S on 21 July 1954, subject to the immediate elimination of six positions and subsequent elimination of 14 additional positions unless a temporary extension for any of these latter positions is authorized by the DD/S prior to 1 January 1955. Nevertheless, a critical need will continue to exist for these 14 positions until urgently required regulations and handbooks on transportation and supply are issued, and it is recommended that the DD/S temporarily extend these positions through 30 June 1955. With this exception, the total strength authorized by the DD/S is in general adequate for the assigned functions, although as pointed out in the discussion of the components of the Office in paragraphs B through G below, some components have excess personnel whereas others are understaffed.

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COMMENT: Concur in this recommendation. Approval was obtained from the DD/S on 27 January 1955 for the temporary extension of these positions through 30 June 1955. Any additional extension must be justified and submitted to the DD/S for approval prior to 15 June 1955.

10. RECOMMENDATION (Pages 36 and 37, IV A.2.b) (Page 8 II 30): It is recommended that at the time senior officials of the Office commence planning and developing sensitive projects, personnel from appropriate divisions be included in order to train and develop their competence to handle future projects themselves.

COMMENT: Concur in this recommendation. During the past two years many personnel and organizational changes have taken place within the Logistics Office and in many instances it was considered necessary to utilize the Planning Staff and the Technical Review and Policy Staff in the execution of staff responsibilities. This course of action has insured continuity of operations; however, Division Chiefs are assuming their staff as well as their operational responsibilities and much of the workload previously assigned to the special staffs will funnel to the operating divisions.

11. RECOMMENDATION (Page 37, IV A.2.d(1)) (Page 17 II 18): It is recommended that the Chief of Logistics, his senior officials, supervisors, Personnel Officer, and Career Service Board improve the handling of personnel matters.

COMMENT: Concur in this recommendation. The Personnel Officer and the Career Management Officer of the Logistics Office were replaced on 3 January 1955. The present incumbents of these positions have demonstrated satisfactory progress in the handling of personnel matters. Continued emphasis will be placed on this function in future operations.

12. RECOMMENDATION (Page 37, IV A.2.d.(3)): It is recommended that the Board confine itself to problems of personnel policy and not deal with technical aspects of personnel matters which should be the responsibility of the Personnel Officer.

COMMENT: Concur in this recommendation. In future Board meetings the content of this recommendation will be brought to the attention of all members of the Board and every effort will be made to eliminate technical aspects of personnel matters from the agenda of the discussion.

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13. RECOMMENDATION (Pages 38 and 39, IV B.1.d) (Page 36 IV A.2.a): The technical Review and Policy Staff prepares for the DD/S a weekly Logistics Office Activity Report based upon weekly reports from all components of the Office. As handled prior to 15 November 1954, the latter reports represented one of the weakest links in the Agency's security that has come to the attention of the Inspector General. Each reporting unit was receiving a copy of the reports of other units irrespective of the need-to-know. The reports reflected current operations, some of which were extremely sensitive. The dissemination of these reports was not controlled and it is impossible to ascertain how many individuals have read them. During the Inspector General's survey steps were taken by the Logistics Office to limit the dissemination of these reports. Nevertheless, dissemination is still too wide. The argument that broad dissemination of such reports is a desirable management tool has no validity in CIA because of the need for limiting knowledge.

COMMENT: Concur in this recommendation. Action has been taken to limit the distribution of the Weekly Activity Reports on a need-to-know basis to Division Chiefs and their Deputies.

14. RECOMMENDATION (Page 40, IV B.2.d) It is recommended that the formal section organization within the current Projects Branch of the Planning Staff be abolished.

COMMENT: Concur in this recommendation. Action will be taken to reflect this change in the organizational structure of the Planning Staff.

15. RECOMMENDATION (Page 41, IV B.2.h.(1)) (Page 50, IV C.4.g): The furnishing of price and availability information on supplies and equipment to requisitioning offices should be a responsibility of the Procurement and Supply Divisions instead of the Planning Staff, and it is recommended that they assume this responsibility forthwith.

COMMENT: Concur in this recommendation. The Logistics Office agrees that the function of furnishing price and availability information is not a planning function. Action will be taken to determine where the prime responsibility should be assigned since it can be foreseeably performed by either the Supply or Procurement Divisions.

16. RECOMMENDATION (Page 41, IV B.2.h.(2)) The Planning Staff operated the graphic facility and the Logistics reference center as conveniences to the entire Office. It is recommended that these service functions be reassigned to the Administrative Staff.

COMMENT: Concur in this recommendation. The administrative control of the graphic facility and the Logistics reference center will be transferred to the Administrative Staff in the near future. Current organizational directives will reflect this change.

17. RECOMMENDATION (Page 41, IV B.2.h.(3)): It is recommended that the activities of the "area coordinators" be phased out gradually.

COMMENT: Concur in this recommendation. Experience has indicated that the requirement for area coordinators is gradually diminishing. Continued reduction in the man-hours required for this function will be effected in future operations.

18. RECOMMENDATION (Page 44, IV B.4.c.(1)) (Page 8, II 31.a.): It is recommended that the chiefs of components within the Logistics Office be held personally responsible for the security of the operations of their units.

COMMENT: Concur in this recommendation. It has been the practice in the past to hold chiefs of components within the Logistics Office personally responsible for the security of operations in their units; however, this will be re-emphasized in the future.

19. RECOMMENDATION (Page 44, IV B.4.c.(2)) (Page 8, II 31.b): It is recommended that the Chief of the Security Staff, under the technical supervision of the Director of Security, be held responsible for advising on matters bearing on the security of the operations of the Office.

COMMENT: Concur in this recommendation. This recommendation is more a statement of the present function of the Chief of the Security Staff and does not impose additional functions; however, continued emphasis will be placed on this function in future relationships between the Chief of the Security Staff and other LO components.

20. RECOMMENDATION (Page 44, IV B.4.c.(3)) (Page 8, II 31.c): It is the recommendation that Regulation 45-510 be revised to indicate that the Chief of Logistics and not the Director of Security is responsible for the security of covert procurement.

COMMENT: Concur in this recommendation. Action will be taken to revise Agency Regulation 45-510 so that "the Chief of Logistics or his designee replaces the Director of Security."

21. RECOMMENDATION (Page 44, IV B.4.d) (Page 8, II 31.d): It is recommended that Logistics Office security directives be issued, including those to govern the activities which were transferred to the Logistics Office from the General Services Office.

COMMENT: Concur in this recommendation. At the present time the Chief of the Security Staff contributes materially to all Logistics instructions, regulations, and notices from the viewpoint of security; however, this recommendation will be evaluated to determine specifically what requirement exists for security directives in conjunction with other Logistics publications. Action will be taken to develop and publish any required directives.

22. RECOMMENDATION (Pages 44 and 45, IV B.4.f): The Security Staff does not have a list of all members of the Logistics Office who have been issued CIA identification credentials and/or CIA firearms permits. It is recommended that such centralized records be maintained and reviewed to ensure that a need still exists for the use of each of the credentials.

COMMENT: Concur in this recommendation. Logistics Office will maintain a list of all Logistics personnel who have been issued CIA identification credentials and/or CIA firearms permits. It should be noted that this information is now available in the Physical Security Division of the Security Office.

23. RECOMMENDATION (Page 46, IV C.1.d): It is recommended that the opinions and recommendation of Branch and Section Chiefs be given greater weight, and that these individuals be kept better informed on proposed assignment of employees.

COMMENT: Concur in this recommendation. It is assumed that this recommendation concerns itself primarily with the assignment of employees. Normally Branch and Section Chiefs are contacted prior to assignment of individuals to duty; however, in some instances where there is an unexpected return of a Logistics employee from overseas this individual must be placed in any available T/O position where there is a vacancy and the individual is qualified. This difficulty will be eliminated to a great extent when the Logistics Office personnel program is completely implemented.

24. RECOMMENDATION (Page 46, IV C.1.d): It is recommended that the Procurement Division develop a career program for its women employees which will reduce the adverse effect of this limitation on their career opportunities.

COMMENT: Concur in this recommendation. In most instances the Logistics Office has conformed to a policy whereby all employees are given opportunity for advancement regardless of sex. In some instances it is difficult to utilize female contract negotiators

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with respect to travel, the inspection of contractors' plants, and certain types of negotiations in which controversies may be involved. Every effort will be made to develop a career program for female employees.

25. RECOMMENDATION (Page 46, IV C.1.e): The Logistics Office has requested that the position of Chief, Procurement Division be a GS-16. The grade of this position was not evaluated in the Classification Survey. This grade should not be authorized until such time as the Chief, Procurement Division fully performs two important assigned duties which are: (1) Reviewing and providing technical advice to field procurement, and (2) developing sources and methods of covert procurement.

COMMENT: Concur in this recommendation. A program has been established to insure complete cognizance of all field procurements. The initial phases of this program will require detailed reports from ten major overseas stations. It is planned that this program will encompass the development of new sources and the initiation of better methods of covert procurement for both Headquarters and overseas areas.

26. RECOMMENDATION (Page 48, IV C.3.e): It is recommended that the Deputy Chief, Contract Branch be given greater authority to handle administrative matters; or be the Reviewing Officer for contracts which must be approved by the Division Chief; or be Contracting Officer on contracts not exceeding [REDACTED] in value. 25X1A

COMMENT: Concur in this recommendation. The content of this recommendation will be placed into effect as soon as possible. It should be noted that this change will give greater flexibility and additional depth in man power utilization.

27. RECOMMENDATION (Page 48, IV C.3.e): An important phase of contract administration is to maintain records on Government equipment furnished to a contractor. Until May 1954, essentially no records were maintained on such equipment. Equipment could be issued without review by the Contracting Officer to ascertain whether the equipment was authorized by the contract. The Supply Division now forwards the Contracting Officer requisitions for equipment requested for shipment to a contractor. However, the Contract Branch has not endeavored to determine if equipment in the possession of Communications and TSS is now being furnished direct to contractors nor what equipment their components may have previously requisitioned for contractors under existing contracts. It is recommended that the Chief, Procurement Division make the

foregoing determinations. Depending upon the outcome, an Agency notice should be issued stating that Government equipment will not be furnished to contractors without approval by the Contracting Officer.

COMMENT: Concur in this recommendation. A proposed handbook for Contracting Officers has been written and is in the process of coordination. This handbook contains instructions for requisitioning officers with respect to the procedure governing Government furnished equipment and supplies. It is believed that this course of action will adequately cover this problem.

28. RECOMMENDATION (Page 49, IV C.3.f): While the Administration Section also is responsible for taking action to protect the Government's interest in patents, royalties and copyrights under Agency contracts, no procedures have been approved whereby this responsibility can be carried out. It is recommended that the Chief, Procurement Division develop such procedures as soon as possible.

COMMENT: Concur in this recommendation. Action has been taken to conduct a detailed study of this problem. Recommendations will be made for corrective action.

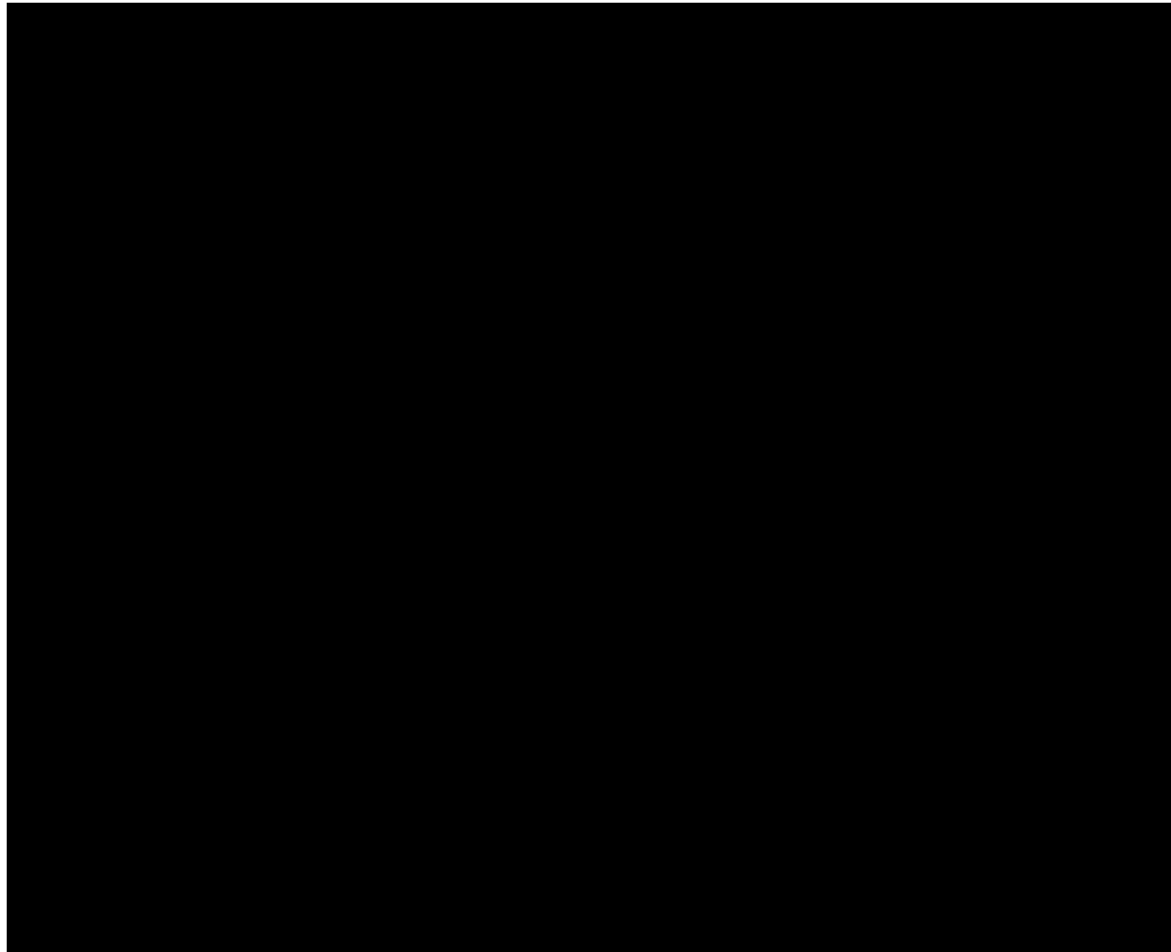
29. RECOMMENDATION (Page 52, IV D.1.e): It is recommended that the Chief, Supply Division forward a memorandum to the Personnel Office reflecting that the individual performing the duties of the Chief of Supply Operations Branch (and its predecessor, the Supply Control Staff) has been officially assigned duties as Chief of Stock Management Section. His performance of the duties of the more responsible position were not reflected in the official Personnel Office records.

COMMENT: Concur in this recommendation. Action will be taken to prepare and forward necessary document to the Personnel Office as reflected in this recommendation.

30. RECOMMENDATION (Page 56, IV D.4.d): It is recommended that any building to be constructed for Headquarters contain facilities for either incineration or pulping of classified trash.

COMMENT: Concur in this recommendation. The requirement for pulping of classified trash has been incorporated in the present plan for the construction of a new Agency building.

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33. RECOMMENDATION (Page 58, IV D.7.b): There is evidence that the personnel ceiling of the Depot was not determined on the basis of thorough analysis of the work load. It is recommended that the Chief of Logistics have such an analysis made in order to arrive at a valid determination of the adequacy of the authorized personnel strength.

COMMENT: Concur in this recommendation. Unusual fluctuations in the workload requirements at the Washington Depot require the use of overtime. Action will be taken to conduct a survey as indicated in this recommendation. The assistance of Management Improvement Staff will be solicited in conducting this study.

34. RECOMMENDATION (Page 58, IV D.7.c): It is recommended that the Chief of the Supply Division clarify the conditions under which depot personnel are to be permitted to work overtime.

COMMENT: Concur in this recommendation. The policy of the Logistics Office concerning overtime is that it will be used to an absolute minimum. It has not been the policy that overtime will never be used under any circumstances. The Chief of the [REDACTED] is aware of this policy. Action will be taken to insure that [REDACTED] personnel are completely cognizant of this policy.

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35. RECOMMENDATION (Page 58, IV D.7.d): It is recommended that requisitioning offices indicate on their requisitions if actual use of the item is contingent upon the availability of space, and the Supply and Procurement Divisions coordinate all such requisitions with the Real Estate and Construction Division.

COMMENT: Concur in this recommendation. Action will be taken to place this recommendation into effect on an ad hoc basis.

36. RECOMMENDATION (Page 58, IV D.7.e): It is recommended that the Supply Division pick up all storage items on Agency stock records after 30 days, as controlled items for issue with the approval of the Division for which they were procured.

COMMENT: Concur in this recommendation. The principle contained in this recommendation with regard to the storage of items on Agency stock after 30 days will be placed into effect with the time limit of 60 days rather than the suggested 30 days. It is believed that this additional 30 days will enable the Logistics Office to serve adequately the needs of the requisitioning activity.

37. RECOMMENDATION (Page 58, IV D.7.f): The Depot is authorized a GS-9 Security and Safety Officer. The Chief of the Depot has requested that this position be eliminated on the basis that, as Depot Chief, he is responsible for maintaining security. He proposes to delegate the duties of the Security Officer to his Deputy and the duties of the Safety Officer to the Chief of the Maintenance Section. This survey reveals that there is no need for assigning a full-time Security Officer to the [REDACTED]. It is recommended that the proposal of the Depot Chief be approved.

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COMMENT: Concur in this recommendation. This change in functional responsibility will be reflected in current organizational directives.

38. RECOMMENDATION (Page 59, IV D.8.b): Prospective GSA employees fill out a CIA Security Form No. 38-1 although "CIA"

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does not appear on the form. It is recommended that a sterile security form be used and not one that bears a form number identifiable with CIA.

COMMENT: Concur in this recommendation. This matter has been discussed previously with the Security Office. Action will be taken to re-evaluate the requirement for a sterile security form and corrective measures placed into effect as required.

39. RECOMMENDATION (Page 59, IV D.8.d): It is recommended that both of the Depot Chiefs execute Deeds of Trust covering the bank accounts in which these funds are deposited.

COMMENT: This recommendation will be implemented as soon as possible. Concur in this recommendation.

40. RECOMMENDATION (Page 59, IV D.8.d): It is recommended that the records of both (revolving) funds be reviewed by the Chief, Supply Division to ascertain that the amount kept on hand does not exceed the average amount required at any one time.

COMMENT: Concur in this recommendation. This recommendation will be placed into effect as soon as possible.

25X1A6a 41. RECOMMENDATION (Page 59, IV D.8.e): It is recommended that the Chief of the [REDACTED] Depot discontinue his practice of maintaining informal stock control records.

25X1A6a COMMENT: Concur in this recommendation. During the period when the [REDACTED] Depots were in process of activation and large quantities of materiel shipped in, the Depot Chiefs were authorized to keep informal records of quantities of materiel on hand. This practice is no longer necessary and will be discontinued.

42. RECOMMENDATION (Page 62, IV E.1.c): Units of the Transportation Division are dispersed in five different locations which handicaps proper supervision.

COMMENT: Concur in this recommendation. Due to operational requirements, the present dispersal of the organizational units of the Division is necessary. It should be noted, however, that the forthcoming move of the Transportation Division to Quarters "I", the Passenger Movement Branch to Quarters "I", that this situation will be partially corrected.

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43. RECOMMENDATION (Page 63, IV E.2.a): It is recommended that the Administrative Staff of the Transportation Division be abolished and replaced by a two-position message center and a GS-7 Personnel and Training Assistant reporting to the Division Executive Officer.

COMMENT: Concur in this recommendation. A complete study is being made and the principle contained in this recommendation will be implemented in the near future.

44. RECOMMENDATION (Page 63, IV E.3.a): It is recommended that extension of four of the Planning and Control Staff's five positions, which were to be eliminated by 1 January 1955 unless temporary extension was authorized, be authorized by the DD/S through 30 June 1955 for completion of urgently needed transportation regulations.

COMMENT: Concur in this recommendation. Approval was received from the DD/S on 27 January 1955 for the temporary extension of these four positions until 30 June 1955. Any additional extension must be justified and submitted to the DD/S prior to 15 June 1955.

45. RECOMMENDATION (Pages 63 and 64, IV E.3.c) (Page 8, II 33): It is recommended that a transportation officer be sent on TDY to each field station which has over ten vehicles to develop an initial TVA with the Chief of Station and to obtain sufficient supporting data for intelligent review of the TVA at Headquarters.

COMMENT: Concur in this recommendation. Personnel are being selected for TDY at all field installations possessing ten vehicles or more. It is anticipated that Field Regulation 45-1565, Establishment and Submission of Tables of Vehicular Allowances, will be published prior to the departure of these individuals.

46. RECOMMENDATION (Page 65, IV E.5.d): It is recommended that the Branch Chief (Cargo) be more forthright in dealing with certain requests levied on him by Branch personnel. While certain personnel requests cannot be granted for valid reasons, the individuals are at least entitled to reasoned answers.

COMMENT: Concur in this recommendation. This recommendation will be discussed in detail with the Chief of the Cargo Branch and corrective action initiated as required.

47. RECOMMENDATION (Page 66, IV E.5.e): It is recommended that the Transportation Division and the Comptroller's Office prepare studies to provide a basis for future budget requests for funds for transportation of things.

COMMENT: Concur in this recommendation. This problem has been under consideration by this Office and the Comptroller's Office for some time. This recommendation will be forwarded to the Comptroller for comments concerning course for corrective action. It is recognized that this budgetary information will be necessary when and if the military reflect all charges for movement of cargo on a reimbursable basis.

48. RECOMMENDATION (Page 67, IV E.6.c): It is recommended that the Office of Personnel reclassify the position of the Chief of the Highway Branch as a GS-13.

COMMENT: Concur in this recommendation. Request will be submitted to the Personnel Office for the reclassification of this position.

49. RECOMMENDATION (Page 56, IV E.3.d): It is recommended that the heads of major components ensure compliance with this directive (CIA Notice 45-1530-1, paragraph 3b(2)).

COMMENT: Concur in this recommendation. Heads of major components were notified by letter from the DD/S on 18 January 1955, subject, Use of Chauffeur-Driven Cars, requesting complete compliance to the provisions of Notice 45-1530-1.

50. RECOMMENDATION (Page 68, IV E.6.g): It is recommended that all general duty chauffeur positions be raised to CPC-4 and assigned chauffeur positions be raised to CPC-5.

COMMENT: Concur in this recommendation. This recommendation will be forwarded by the Logistics Office to the Personnel Office and follow-up action will be initiated as required.

51. RECOMMENDATION (Page 68, IV E.6.h): It is recommended that a roster of senior members of the Highway Branch be established to provide a greater amount of "spot" (unscheduled) supervision of chauffeurs at night and on weekends.

COMMENT: This recommendation is now in effect. Concur in this recommendation.

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52. RECOMMENDATION (Page 70, IV F.2.c): It is recommended that this Division (Real Estate and Construction) with its technical competence and experience be the primary unit in Logistics responsible for planning to meet CIA's space requirements and for challenging individual requirements until satisfied that they accurately represent true needs.

COMMENT: Concur in this recommendation. Every effort will be made to incorporate realistic space requirements in future construction programs. A plan has been initiated for the submission of detailed requirements in support of the new Headquarters Building. All planning by Real Estate and Construction Division is based on careful study and justification of space requirements.

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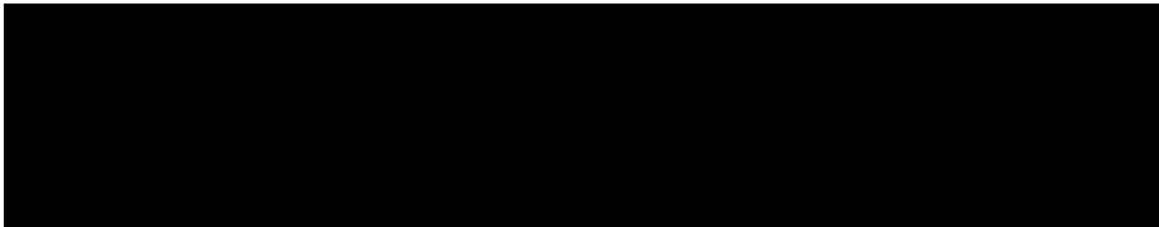
53. RECOMMENDATION (Page 71, IV F.2.h): The Agency is currently maintaining [REDACTED] assigned, leased, or purchased properties in the Far East. These facilities are sufficient to require the services in the area of an experienced realty officer and it is recommended that one be assigned to that area to supervise the negotiations for and administration of these properties.

COMMENT: Concur in this recommendation. This recommendation is in process of being implemented by joint action between the Logistics Office and DD/P component. Assignment will be made as soon as the FE Division establishes T/O slot.

54. RECOMMENDATION (Page 71, IV F.2.i): It is recommended that this Division (Real Estate and Construction) in cooperation with the Logistics Career Service Board and the Office of Personnel, develop a CIA Real Estate and Construction Career which will attract and hold competent civilian architect-engineers.

COMMENT: Concur in this recommendation. The Logistics Personnel Officer, the Real Estate and Construction Division, and the Logistics Career Service Board will jointly develop a realistic CIA Real Estate and Construction Career program designed to attract and retain the services of competent civilian architect-engineers. Assistance of the Office of Personnel will be requested on an as-needed basis.

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COMMENT: Concur in this recommendation. It is agreed that the experience of this Branch will be made available to operators of domestic, proprietary and subsidy safehouses. It should be noted however, that the acquisition Branch is responsible for all real property inventories and receives safehouse inventories by way of sterile reports.

56. RECOMMENDATION (Page 72, IV F.4.d): Agency employees are placing an average of 125,000 personal telephone calls per month. The monthly cost to the Agency averages \$5,000. It is recommended that all supervisors assist the Telephone Section in its campaign to reduce this gross misuse.

COMMENT: Concur in this recommendation. It should be noted that the figure quoted is not the monthly average of personal calls but rather monthly average of all local calls made. During the month of December 1954 a total of 119,420 local calls were made at a cost of \$4,480.00. The percentage of personal calls cannot be determined. A special campaign is underway at this time to reduce the number of personal calls. Any progress in this direction will result in a savings to the Agency.

57. RECOMMENDATION (Page 74, IV G.2.b.(1)): An informal IG study of the "graphics" section has been made available to the Agency's Printing Advisor. It is recommended that he develop recommendations on the centralization of those sections under the Printing and Reproduction Division.

COMMENT: Concur in this recommendation. The Logistics Office is not convinced at this time that the "graphics" sections located throughout various components of the Agency should be centralized under the Printing and Reproduction Division. The Agency's Printing Advisor will initiate a Staff Study on this matter in connection with other recommendations contained in this report and will present applicable Logistics Office recommendations to the DD/S for approval. This recommendation will be brought to the attention of other Agency components for their comments.

58. RECOMMENDATION (Page 74, IV G.2.b.(2)): It is recommended that the Agency's Printing Advisor continue to represent CIA in this survey (a Government-wide survey of classified printing problems) and at the opportune time pursue transfer of this plant to CIA.

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COMMENT: Concur in this recommendation. It should be noted that the Government-wide survey has been completed although no word as to the report and recommendations of the Committee has been received. The Logistics Office is maintaining a continuous watch on the situation and will initiate action for transfer of the GPO-State Service plant to CIA when and if this is deemed desirable.

59. RECOMMENDATION (Page 77, IV G.4.b.(1), (2), (3)): It is recommended that (1) Supervisors take time, even at some expense of work production, to listen to and deal with individual employee problems, including those of a semi-personal nature, which disturb the employee's work; (2) The Logistics Office Personnel Branch must extend its services to this Division and overcome a natural tendency to leave the Division to its own resources; and (3) The Logistics Office consider establishing an administrative assistant for personnel purposes within this Division and located at the [REDACTED] Plant.

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COMMENT: Concur in this recommendation. It is recognized that the isolated location of this Plant has been a primary factor in creating a hardship in handling personnel matters at the [REDACTED] Plant. Action will be taken to place greater emphasis on the personnel problems at the [REDACTED] Plant. A supervisory training program is being developed to improve the effectiveness of supervisors in the performance of their personnel management responsibilities. This program, supplemented by more effective collaboration between the Logistics Personnel Officer and the operating supervisors, should result in improvement. It is felt, however, that the workload would not justify the establishment of an additional position as proposed.

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60. RECOMMENDATION (page 16, III C.2.d.(5)) (Page 6, II 6): Initiation of the procurement action reports should not await issuance of an Agency Procurement Handbook. However, the Chief of Logistics should carefully review the forthcoming Supply Handbooks, AFHB 45-450-1 and 45-450-2, to determine whether the reporting requirements therein are adequate for procurement recording and review purposes, before initiating separate procurement reports.

COMMENT: Concur in this recommendation. A detailed review and analysis has been made in the Logistics Office of the Supply Handbooks FHB 45-450-1 and FHB 45-450-2 and it has been determined that the reports required therein are not adequate for reviewing field procurement actions. Rather than attempt to modify these proposed handbooks, which would unnecessarily delay their release, a separate method of review of world-wide procurement actions is being developed.

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61. RECOMMENDATION (Page 16, III C.2.d.(6)): It is recommended that members of the Procurement Division be used for inspection of procurement activities outside the Logistics Office.

COMMENT: Concur in this recommendation. It is the policy of the Logistics Office to utilize, whenever possible, specialists in the performance of procurement functions. In the future inspection trips to overseas installations, a representative of the Procurement Division will be included as a member of the team when procurement facilities are to be analyzed.

25X9A2 62. RECOMMENDATION (Page 28, III D.1.d) (Page 6, II 15): It is recommended that the Senior Representative, [REDACTED], be directed to obtain and forward to Headquarters Declaration of Trust on all quasi-personal vehicles at the [REDACTED] Mission.

25X9A2 COMMENT: Concur in this recommendation. The Logistics Office is investigating and will initiate request for the Senior Representative to forward to Headquarters, Declarations of Trust for all quasi-personal vehicles registered in the name of staff agents. It should be noted that from a security standpoint, it is not always possible to exact a formal Declaration of Trust for vehicles assigned to indigenous agents who are not actual employees of the Agency. For this reason it is not anticipated that Declarations of Trust will be available on all quasi-personal vehicles. In those instances where they are not available for reason stated, the field will be requested to submit a statement as to the specific reason for non-conformance.

25X9A2 63. RECOMMENDATION (Page 45, IV B.4.h): It is recommended that "Top Secret" waste at the [REDACTED] Plant be shredded in the Plant's shredding machine before being transported to the "M" Building incinerator.

25X9A2 COMMENT: Concur in this recommendation. The Logistics Office is in the process of installing a new digester-pulper machine at the [REDACTED] Plant. When this machine is placed in operation it will not be necessary to transport waste to the "M" Building incinerator.

64. RECOMMENDATION (Page 59, IV D.8.c): At both Depots, the secretary to the Depot Chief is a GSA employee, although fully witting of the nature of the Agency's connection with the Depot. It is recommended that these positions be converted to Agency positions in order to secure greater control over the incumbents.

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25X1A6a COMMENT: Concur in this recommendation. A request to establish these two positions on the T/O's of the [REDACTED] 25X1A6a [REDACTED] will be prepared and forwarded to the DD/S for appropriate action.
25X1C4a

66. RECOMMENDATION (Page 65, IV E.4.d): This function (to arrange for chartered bus service) is misassigned to the Passenger Movement Branch and it is recommended that it be transferred to the Highway Branch which furnishes other transportation for Headquarters.

COMMENT: Concur in this recommendation. This function is now properly being handled by the Passenger Movement Branch and there appears no need or justification for transfer to the Highway Branch; however, this Office offers no objection to this transfer and action will be taken to effect this change in the near future.

67. RECOMMENDATION (Page 66, IV E.5.f): It is recommended that the Cargo Branch develop other means for making Government sterile cargo shipments.

25X1A5a2 COMMENT: Concur in this recommendation. In addition to [REDACTED]

68. RECOMMENDATION (Page 75, IV G.3.a) (Page 7, II 26): It is recommended that the DD/P establish an officer with printing

responsibilities comparable to those of the DD/I so that the printing and reproduction problems of the five Staffs and eight Divisions reporting to the DD/P can benefit from DD/P-level coordination and so that the burdens of the Printing and Reproduction Division can be minimized.

COMMENT: Concur in this recommendation. Action will be taken to transmit the content of this recommendation to the DD/P through the DD/S for comment and appropriate action.

69. RECOMMENDATION (Page 36, IV A.i.e) (Page 7, II 27): It is recommended that the Security Staff become a branch of the Administrative Staff.

COMMENT: Concur in this recommendation. Action will be taken to transfer the Security Staff in the near future.

70. RECOMMENDATION (Page 37, IV A.2.d.(2)) (Page 7, II 20): It is recommended that the Logistics Career Service Board be headed by a senior official of the Logistics Office with a Logistics Career designation.

COMMENT: Concur in this recommendation. Action will be taken to place this recommendation into effect as soon as possible. It should be noted that officers of this category are comparatively few in number and not always available for this type of assignment.